But sale rumors persist

New pres joins Pay 'n Save on upbeat note

By Lou Karney

SEATTLE — Whether the Trump Group sells Pay 'n Save's 78-store Northwest division, as rumored, the operation will be beefed up as part of the Trump Group's "divisionalization" program.

The program's first priority is to put the new management in place under the overall direction of Mac Allen Culver, the new chairman and ceo of the division, and then to see about improving profits.

Part of that will be the responsibility of Maynard Jenkins, the Northwest division's new president, who joins the division on an upbeat note: "Pay 'n Save has an incredible customer base," Jenkins told *Drug Store News* just four days after joining the company. "This division can be very profitable."

Several sources in the Pacific Northwest indicate that Trump has set a $200 million price tag on the Pay 'n Save drug stores, and there are no takers at present because the price is too high.

The appointment of Jenkins following the elevation of Culver from president to chairman and ceo is being interpreted in some quarters as an indication of a possible leveraged buyout by a management group headed by Culver. No other industry division has both a chairman and a president.

Industry observers cite the leverage buyout of Dart Drug by Al Towle and a company management group as a parallel. Towle came to Dart as president, and within months the buyout was arranged, giving rise to speculation that the prospective deal was what brought Towle to Dart in the first place.

> *'My goal is to find out what the consumer's needs are and then plan the assortment, pricing and promotions to fit those needs.'*
> **Maynard Jenkins**
> president, Pay 'n Save NW

The first order of business, however, is to put Pay 'n Save on a more profitable plan. "Simply stated," Jenkins said, "my goal is to find out what the consumer's needs are and then plan the assortment, pricing and promotions to fit those needs."

Jenkins comes to Pay 'n Save from Lucky Stores. He started with Lucky in the early 1970's as assistant sporting goods buyer. In 1974, he was named vp of sporting goods nationally, responsible for Gemco and L&G Sporting Goods (L&G was sold in 1980).

In 1979 he was named vp-sporting goods and patio, and in 1980 vp in charge of hard goods except jewlery, photo and major appliances. His area of responsibility included H&BA, stationery, hardware, auto, gift, greeting cards and sporting goods. In January 1984, he was named vp and general merchandise manager for all hard goods as well as domestics.

Asked if his long association with Discounter Lucky means that Pay 'n Save will go on a discount pricing program, Jenkins said: "Not necessarily. We're going to sit down and first find out what the consumer wants."

NEWS IN BRIEF

Walgreens moves into Oakland

DEERFIELD, Ill. — Walgreens will open four stores in Oakland, Calif., this fall, the first time the chain drug company has entered this city. Walgreens plans to use four store locations that have been abandoned by Safeway. The stores will range in size from 11,400 sq. ft. to 12,300 sq. ft. No specific opening dates have been announced.

Rite Aid promotes 2

SHIREMANSTOWN, Pa. — Rite Aid Corp. has announced two executive appointments in its drug division. Philip Markovitz, formerly assistant vp, real estate, has been named vp, corporate real estate. Ivan Kron, most recently assistant director of purchasing, has been appointed vp, purchasing.

Giant sales up almost $7M

LANDOVER, Md. — Total sales for Giant's fiscal 1985 fourth quarter, ended Feb. 23 were $691.8 million, up 9.4% over the same period last year. Total sales for the year increased 9.3% to $2.1 billion. Net income for fiscal 1985 rose to $45.2 million, up 11.6% over fiscal 1984.

Merrell Dow markets Seldane

CINCINNATI — Merrell Dow has received the Food and Drug Administration's approval to market its new prescription-only antihistamine Seldane (Terfenadine). The drug is as effective as currently available antiallergy medications, but it causes no more drowsiness or sedation than placebo, an inert pill, according to clinical trials at six U.S. medical centers.

Dow will start shipping Seldane to wholesalers May 15, and national distribution of the drug should be completed by May 31.

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SDM aims for 'hard' and 'soft' savings in 1st slot scanner test

TORONTO — Shoppers Drug Mart, Canada's No. 1 drug store retailer, is testing scanning in one of its two deep discount drug stores and planning to initiate a similar test this summer in about three of its conventional drug stores.

At the beginning, the test will be limited to stores with about average volume so that Shoppers can realize as much of a return on its initial investment as possible.

The company will be using slot scanners, which generally cost between $3,000 and $5,000 each, at all of its registers. The average Shoppers generally has six registers, but some stores can have as many as 10.

According to David Bloom, president and ceo, Shoppers expects to realize both hard and soft savings through the scanning installations. Hard savings should come in the form of productivity improvements in cash register throughput and labor scheduling, and soft savings should come from improvements in merchandising allocations based on data obtained from the scanners tracking.

"We expect the greatest savings to come from merchandising changes that affect our gross margin return on investment," said Bloom. "With scanning, we'll be in better control of our inventory, and we'll be able to reduce inventory investment based on turns."

Bloom said Shoppers will probably continue the test for about six months before expanding it to other stores. The first scanners went into Shoppers' second Howie's, the deep discount drug store for

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Bolger lauds recruitment drive success at NACDS annual meet

WEST PALM BEACH, Fla. — Nearly 2,300 attendees, gathered here for last month's annual meeting of the National Association of Chain Drug Stores, heard president Bob Bolger summarize the association's major accomplishments last year while outlining a series of strategic objectives to be pursued in 1985 and beyond.

Among other things, Bolger reported on the status of NACDS's pharmacy recruitment drive, a sophisticated public information campaign designed to let today's young people know more about the attractiveness of pharmacy as a professional option.

To date, Bolger reported, the association has received more than 21,000 responses to the direct mail pieces and print ads that were directed at approximately 8.5 million high school and college students.

Bolger said he was "delighted" at the effectiveness of the drive which was launched last fall. "In total," he said, "we expect we'll reach over 8.5 million people and introduce them to the exciting profession of pharmacy."

The more than 21,000 replies to date, Bolger said, have been answered with additional mail pieces containing more informational materials on pharmacy.

In addition, the association "has provided the college of pharmacy deans with the names of the respondents so they may follow up with their

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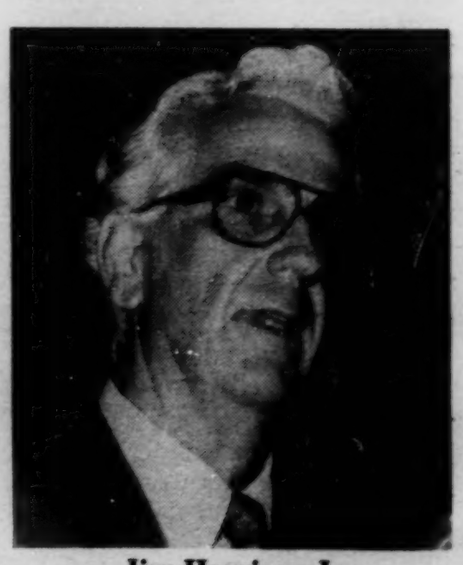
Harrison takes pulse of industry



Jim Harrison Jr.
chairman, NACDS

The following remarks are excerpted from the speech given by Jim Harrison Jr., president of Harco Drug, as he assumed the chairmanship of the National Association of Chain Drug Stores at the association's recent annual meeting.

I come to the position at a time when the association is at the height of its influence and respectability.

It is a position that has been forged through many years of strong leadership from Bob Bolger and a series of talented and dedicated chairmen who have devoted their time and energy to its success. And we find today an organization that is without peer as a retail trade organization.

Our staff is dedicated, our programs are relevant to the needs of our industry and our influence is immense.

So, as I look at this picture, it brings to mind a saying that we have in the South: "If it ain't broke—don't fix it."

However, all this being said, is there anyone in this room who does not believe that every single thing in his

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FINANCIAL

Bindley sales rise 18%

INDIANAPOLIS — Bindley Western Industries announced that net earnings for the first quarter ended March 31 increased 21% to $1.2 million, or 19¢ a share, from $1 million, or 16¢ a share in the same year-earlier period.

Sales for the quarter increased 18% to $154 million.

Bindley Western operates distribution center in Indianapolis, Orlando, Houston, Atlanta, Phoenix and Dallas.

Durr-Fillauer reports income

MONTGOMERY, Ala. — Durr Fillauer, Medical Inc., the drug wholesaler based here, reported that first quarter net earnings increased 36.6% to $1.3 million from $963,000 in 1984.

Revenues for the quarter ended March 31 rose 19.3% to $97.7 million in 1985.

Medicine Shoppe net earnings rise 37% in second quarter

ST. LOUIS — Medicine Shoppe International reported that net earnings for the second quarter ended March 31 increased 37% to $697,084, or 20¢ a share, from $509,998, or 14¢ a share, in the comparable period last year.

Revenues for the quarter rose to $3.4 million from $2.7 million a year ago, a 29% gain.

For the six months, net income increased 48% to $1.4 million, or 40¢ a share, from $945,254, or 31¢ a share, last year. Revenues for the first half were up 26% to $6.8 million from $5.4 million.

Earnings per share for the six months increased by a smaller percentage than net earnings because there were 15% more average shares outstanding due to the initial public offering in December 1983.

Medicine Shoppe is the nation's largest franchisor of pharmacies. As of March 31, there were 522 Medicine Shoppes in 46 states.

Name	Symbol	STOCK PRICE: From 04/19/85 - 05/06/85 High	Low	Close	Change Amt	Change Pct	52-Week High	52-Week Low	TREND TO MARKET: Price Trend (% per day) Last 30 Days	Price Trend Last 5 Days	Volume Trend (% per day) Last 30 Days	Volume Trend Last 5 Days	EARNINGS/SHARE: Last Fiscal Year	Latest 12 Months vs Preceding 12 Months Change Amt		5-Year Annual Growth Rate	Profit Margin	P/E: Latest P/E Ratio	DIVIDENDS: Indicated Dvd. rate Amt.	Yield	Last X-Dvd. Date	FINANCIAL POSITION: Last Fiscal Year Revenue	Earnings	Current Ratio	Last Fiscal Year (Per Share) Long Term Debt	Common Stock Equity
-	-	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	-	$	%	-	$ Mil	$ Mil	-	$	$
Chain Store transactions																										
Am Stores	ASC	54.50	49.00	49.25	-5.25	-9.63	56.50	26.50	-.25	-.87	1.24	-3.12	5.24	1.63 F	45.2	95.0	1.4	9.4	.64	1.3	03-26-85	12118.8	171.5	1.5	12.39	15.26
Begley Co	BGLY	17.00	15.75	16.25	.50	3.17	17.00	14.50	.13	.27	-1.48	-50.00	1.33	-.30 N	-20.4	-8.0	1.1	13.9	.72	4.4	04-15-85	61.5	.7	1.9	15.55	18.26
Big B	BIGB	16.38	15.75	15.88	-.38	-2.31	17.88	8.88	.07	-.12	-.94	4.59	.68	.15 F	28.3	22.0	3.0	23.3	.00	.0	09-21-83	148.1	4.4	2.3	.18	3.88
Drug Sys	DRGS	5.63	5.25	5.38	-.13	-2.27	5.63	3.25	.08	.00	4.11	-9.18	.56	-.25 N	-38.5	NC	2.1	13.4	.60	11.2	05-09-85	82.3	1.7	3.0	1.28	5.84
Eckerd, Jack	ECK	27.13	25.75	26.88	.00	.00	32.88	20.25	-.41	.48	4.59	-8.73	2.27	.26 S	12.1	5.0	3.3	11.2	1.04	3.9	03-11-85	2622.5	85.4	2.0	2.52	16.47
Fay's Drug	FAY	10.13	9.50	9.75	-.25	-2.50	13.00	8.38	-.30	-.32	1.32	9.31	.62	.02 F	3.3	72.0	2.4	15.7	.20	2.1	03-18-85	366.7	8.7	1.8	1.65	4.28
Genovese Drug	GDX	14.00	12.63	13.00	-.88	-6.31	16.63	11.13	-.23	-1.66	-2.35	-1.32	1.03	.07 F	7.3	89.0	1.9	12.6	.20	1.5	03-29-85	220.3	4.1	1.9	2.83	4.92
Hook Drugs	HOOK	36.38	36.25	36.25	.00	.00	36.50	18.00	.00	-.05	-5.86	38.75	1.87	-.14 F	-7.0	6.0	2.3	19.4	1.00	2.8	04-09-85	350.9	8.1	1.7	2.75	10.38
Longs Drg Strs	LDG	29.75	26.00	27.88	-.25	-.89	29.75	17.00	.39	.97	-1.22	2.56	1.88	.16 F	9.3	11.0	2.9	14.8	.64	2.3	03-27-85	1375.8	40.1	2.1	.00	12.23
Medicare Glaser	MGCO	5.00	4.75	5.00	.25	5.26	7.75	3.50	.09	-.44	-1.88	26.61	.43	-.19 N	-43.2	102.0	1.4	20.0	.00	.0	00-00-00	76.7	1.1	1.6	1.12	3.49
Pay N Save	PAYN	23.25	23.13	23.25	.00	.00	23.63	14.38	.07	.07	-4.93	-5.77	2.02	-.81 N	-41.3	-2.0	2.5	20.2	.00	.0	08-20-84	1220.5	30.1	2.0	9.01	14.37
Perry Drug	PDS	18.38	16.75	18.13	.13	.69	22.13	12.38	-.27	1.15	5.59	-25.27	1.26	.14 Q	13.0	18.0	2.1	14.9	.28	1.5	02-21-85	370.3	7.6	1.5	2.40	10.60
Revco Drug	RDS	25.63	23.75	23.75	-.50	-2.06	32.88	22.50	-.01	-.77	-3.29	14.84	2.54	-.45 N	-18.6	17.0	4.2	12.1	.80	3.4	02-26-85	2227.5	93.4	2.1	1.08	12.22
Rite Aid Corp	RAD	29.13	25.50	27.50	-1.38	-4.76	33.50	17.50	-.44	.74	-2.50	-19.98	1.69	.22 F	15.0	11.0	5.4	16.3	.50	1.8	04-09-85	1297.1	69.9	2.3	.49	7.68
Thrifty Cp	TFD	20.63	18.75	19.25	-.75	-3.75	22.88	14.00	-.24	-.10	-.11	-27.51	1.40	.24 S	18.8	21.0	2.1	12.7	.60	3.1	05-06-85	1299.3	27.9	1.5	4.46	7.72
Walgreen Co	WAG	51.63	49.25	49.25	-1.75	-3.43	54.63	28.63	-.27	-.47	.61	-1.15	2.78	.42 S	16.3	31.0	3.1	16.5	.88	1.8	02-11-85	2744.6	85.4	1.7	1.73	13.52
Wholesaler's transactions																										
Bergen Brunswig	BBCA	27.38	25.38	25.63	-.13	-.49	28.50	19.00	.52	-1.32	.02	-1.30	1.57	.05 S	2.9	24.0	1.2	14.5	.32	1.2	04-25-85	1703.4	19.7	1.6	1.08	11.11
Cardinal Distrib	CDIC	18.25	17.50	17.75	-.50	-2.74	18.50	10.91	.35	-.34	-.04	20.22	.92	.11 N	12.5	NC	1.1	17.9	.06	.3	03-26-85	243.3	2.6	1.8	.92	5.91
Durr Fillauer	DUFM	15.75	14.13	15.50	1.00	6.90	15.75	10.25	.22	.87	.65	-3.82	.92	.12 F	15.0	21.0	1.7	16.8	.18	1.2	05-20-85	341.7	5.8	2.3	1.52	7.56
McKesson Cp	MCK	44.13	42.50	42.75	-1.00	-2.29	45.25	32.38	.03	-.53	-1.44	21.21	3.78	-.42 N	-10.7	-1.0	1.6	12.2	2.40	5.6	02-25-85	4260.0	68.7	1.4	10.45	30.25
Foxmeyer Cp	FOXM	28.00	25.50	25.50	-2.88	-10.13	29.75	20.00	-.20	-.81	-1.57	48.37	1.27	1.22 N	141.9	122.0	1.1	12.3	.00	.0	00-00-00	464.2	5.2	2.0	3.95	11.86
Ketchum	KCH	16.63	14.63	16.38	1.38	9.17	17.50	10.09	-.47	-.10	-2.33	73.91	.77	-.46 N	-49.5	100.0	.3	34.8	.00	.0	09-24-84	245.1	.8	1.5	6.37	6.74
Owens & Minor	OBOD	19.50	17.50	19.00	.75	4.11	19.50	11.25	.96	.50	5.22	21.04	1.43	.17 Q	12.3	49.0	1.2	12.3	.40	2.1	03-11-85	306.7	3.6	3.0	8.02	12.81
Spectro Indus	SPO	20.00	19.63	19.88	.25	1.27	20.38	9.38	.94	.10	-.51	-41.06	.89	.36 N	46.2	53.0	1.8	17.4	.09	.5	03-29-85	395.4	7.2	1.7	1.23	4.44
Manufacturer's transactions																										
Abbott Labs	ABT	51.75	49.50	51.38	-.13	-.24	54.00	36.75	-.15	.36	-2.27	-20.34	3.34	.49 Q	16.5	26.0	13.0	14.8	1.40	2.7	04-09-85	3104.0	402.6	1.9	3.91	13.33
Am Home Prod	AHP	62.38	57.25	59.13	-2.63	-4.25	62.50	46.75	-.17	.51	-.34	-15.38	4.39	.35 Q	8.5	15.0	15.1	13.3	2.90	4.9	02-06-85	4485.5	675.6	3.4	.26	13.74
Baxter Travenol	BAX	15.88	14.75	14.75	-1.13	-7.09	18.13	11.75	-.25	-.44	-2.71	-1.36	1.03	-.39 Q	-26.9	6.0	8.1	13.9	.37	2.5	03-13-85	1800.4	145.1	1.6	1.46	7.83
Block Drugs Co	BLOCA	31.00	30.50	30.50	.00	.00	31.25	24.26	-.02	-.04	2.17	8.33	3.18	.26 N	8.4	14.0	10.0	9.1	1.00	3.3	02-25-85	238.2	23.9	2.3	2.34	20.08
Bolar Pharm	BLR	43.75	39.75	41.75	1.38	3.41	43.75	22.50	.24	.87	-3.11	29.23	1.22	.07 F	6.1	47.0	18.2	34.2	.05	.1	02-08-85	29.1	5.3	4.9	.00	4.76
Bristol-Myers	BMY	58.13	56.25	57.75	1.38	2.44	58.25	43.00	.01	.37	.98	-.23	3.45	.42 Q	13.4	20.0	11.3	16.3	1.88	3.3	03-29-85	4189.4	472.4	2.5	.75	15.63
Carter-Wallace	CAR	32.63	31.38	32.38	.25	.78	34.50	19.38	-.07	-.05	-3.29	34.95	2.37	.31 N	13.4	32.0	5.7	12.4	.52	1.6	04-12-85	323.1	18.4	2.4	1.69	21.87
Cooper Labs	COO	15.75	14.88	15.38	.13	.82	27.00	12.50	.17	.79	.06	16.36	-.12	-.90 Q	-100.0	NC	-1.3	NE	.00	.0	03-12-84	155.9	-2.0	1.6	.61	11.81
Forest Labs	FRX	19.75	17.63	19.50	.25	1.30	21.75	11.25	.10	2.56	4.41	28.52	.54	.03 N	5.6	50.0	14.8	34.2	.00	.0	01-14-83	19.6	2.9	8.3	.28	5.42
ICN Pharm	ICN	11.13	9.38	9.75	-.75	-7.14	11.63	6.13	-.41	-.83	-3.47	-27.28	.00	-.22 F	-100.0	40.0	1.6	NC	.00	.0	00-00-00	44.8	.7	3.0	2.43	4.50
Key Pharm	KPH	9.63	8.75	9.00	-.25	-2.70	17.13	8.00	-.46	.28	.26	-3.16	.61	.10 F	19.6	106.0	14.6	14.8	.20	2.2	03-11-85	151.1	22.1	2.1	1.16	1.67
Lilly Eli Co	LLY	79.75	75.00	77.75	-2.00	-2.51	80.25	53.00	-.03	.58	-1.28	-11.49	6.73	.60 F	9.8	12.0	15.8	11.6	3.20	4.1	05-09-85	3109.2	490.2	1.7	1.63	31.04
Lee Pharm	LPH	7.50	6.13	6.25	.00	.00	9.63	2.13	.43	-.25	2.09	-2.41	.13	.52 Q	NE	16.0	6.2	29.8	.00	.0	00-00-00	8.1	.5	3.0	.20	1.73
Marion Labs	MKC	34.50	31.13	32.75	1.63	5.22	34.50	15.25	.88	-1.21	.90	-7.33	.62	.25 S	49.0	58.0	10.6	43.1	.26	.8	04-19-85	226.4	24.1	2.4	.02	3.52
Merck & Co	MRK	104.75	99.00	100.00	-3.50	-3.38	105.38	78.25	-.14	-.36	-.25	-8.19	6.71	.60 Q	9.6	7.0	13.8	14.6	3.20	3.2	02-28-85	3559.7	493.0	2.0	2.48	35.29
Morton Thiokol	MTI	32.13	29.63	30.75	-.88	-2.77	32.13	23.81	.06	.17	-2.44	-48.62	2.16	.39 S	20.3	25.0	5.5	13.3	.64	2.1	02-22-85	2001.5	109.8	1.5	2.94	12.50
Mylan Labs	MYLN	23.75	19.88	21.50	.75	3.61	23.75	6.13	.26	.21	-.32	6.97	.20	.11 N	36.7	121.0	12.7	52.4	.05	.2	02-19-85	36.9	4.7	5.4	.10	.76
Newport Pharm	NWPH	8.50	7.38	8.50	.63	7.94	8.50	2.75	1.04	2.82	1.82	38.63	-.21	.17 N	NE	-10.0	-26.0	NM	.00	.0	00-00-00	7.7	-2.0	2.6	.22	.93
Pfizer Inc	PFE	45.25	43.50	44.50	-.25	-.56	45.25	29.38	.17	.28	.64	-5.91	3.08	.38 Q	13.5	22.0	13.2	13.9	1.48	3.3	01-28-85	3854.5	507.9	2.3	2.10	15.45
Reid Prov Labs	REID	5.00	4.38	4.38	-.75	-14.63	5.25	2.75	.11	-2.25	1.03	11.44	.12	-.04 S	-25.0	99.0	6.7	36.5	.04	.9	12-10-84	13.4	.9	3.1	.02	.92
Robins, AH	RAH	20.50	17.75	17.75	-1.25	-6.58	24.38	12.00	-.65	-1.53	-1.82	38.84	-18.44	-20.58 Q	-100.0	-96.0	-73.0	NE	.00	.0	11-19-84	631.9	-461.6	3.2	1.36	14.69
Rorer Group	ROR	31.75	28.63	29.13	-2.88	-8.98	34.13	24.00	-.09	.13	-2.72	-11.17	2.08	.00 Q	.0	6.0	8.5	14.0	1.12	3.8	05-06-85	522.1	44.3	1.9	2.18	11.07
Scherer RP Co	SCHC	10.75	10.13	10.38	-.63	-5.68	13.13	8.63	.14	-.30	-7.90	15.91	.52	-.68 N	-100.0	-11.0	2.3	NE	.32	3.1	03-13-85	171.7	4.0	1.9	4.83	11.14
Searle, GD	SRL	52.63	48.88	49.88	-2.75	-5.23	65.50	37.50	.06	-.12	-9.86	-12.84	3.24	.22 Q	6.9	18.0	13.0	14.5	1.00	2.0	05-07-85	1245.8	161.6	2.4	3.62	14.85
Squibb Corp	SQB	58.63	55.50	57.63	.63	1.10	58.63	37.50	.05	1.00	-2.01	13.28	3.68	.37 F	11.2	19.0	10.5	15.7	1.60	2.8	02-08-85	1886.0	197.2	2.4	3.86	23.24
Sterling Drug	STY	32.75	29.88	31.88	.13	.39	33.50	23.75	-.03	1.01	2.52	.40	2.37	.14 Q	6.2	5.0	7.8	13.2	1.20	3.8	04-30-85	1827.3	143.4	2.6	1.32	15.34
Syntex Corp	SYN	58.00	55.38	57.75	1.25	2.21	59.25	38.75	-.09	.44	1.40	23.22	4.08	-.42 S	-9.5	20.0	14.7	14.4	1.92	3.3	02-08-85	916.5	134.6	2.1	5.36	18.81
Thompson Med	TM	15.25	13.88	14.00	-1.13	-7.44	26.50	13.25	.12	-.33	-2.57	40.35	2.20	-.09 Q	-4.5	42.0	10.8	7.4	.40	2.9	03-25-85	197.2	21.2	4.3	.00	7.09
Upjohn Co	UPJ	90.25	82.00	89.25	5.88	7.05	90.25	45.00	.36	1.90	4.09	8.36	5.67	-.69 Q	-11.7	.0	8.0	17.1	2.56	2.9	04-01-85	2179.1	173.3	1.7	12.47	37.00
Warner-Lambrt	WLA	38.88	36.00	37.63	-.75	-1.95	39.63	28.75	-.11	.59	-2.15	3.09	2.81	.28 Q	10.7	7.0	7.1	13.0	1.48	3.9	02-04-85	3166.7	223.9	1.7	6.47	18.18
Zenith Labs	ZENI	40.25	28.50	40.25	11.25	38.79	40.25	8.00	1.40	5.47	4.55	21.75	.56	.07 F	14.3	69.0	7.7	71.9	.00	.0	03-13-85	37.5	2.9	2.6	.55	3.97

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Footnotes: NA - Not Applicable; NC - Not Calculable; NE - Negative Earnings; NM - No Meaningful Figure; Q - First Quarter; S - First 6 Months; N - First 9 Months; F - Fiscal Year

Data and Table Prepared by Media General Financial Services, Inc., Richmond, Virginia 23219

MERCHANDISER

Buyers eying computer accessory potential

As the penetration of home and small business computers deepen, a new merchandising category is emerging in chain drug stores . . . computer accessories.

Accessories, mainly floppy disks, are quickly becoming mass-market items and are starting to be merchandised in major drug chains such as Longs, Eckerd, Perry, Hook's, Osco and Fay's.

Other than the floppy disks, or diskettes, the computer accessories currently available to drug stores and other mass merchandisers include storage racks, paper, labels, mailers, forms, head-cleaning kits, stationery and cards.

Unlike many other categories, computer accessories can be cross merchandised in several departments—stationery/office, business supplies and back-to-school.

In a spot check, *Drug Store News* found that while most manufacturers felt optimistic about the category being merchandised in drug stores, buyers were somewhat cautious in their optimism.

Continued on page 17

Retailers race clock to sell low-priced fashion watches

Chain drug buyers are hoping that there is still some life left in the plastic fashion watch category as the market floods with low-priced Swatch watch knockoffs.

Last year drug chains and mass merchandisers could only watch from the sidelines as the trendy Swatches turned the watch market upside down.

Swatch U.S.A., in a move that has been described by its competitors as a "stroke of marketing genius," bypassed many of the conventional channels of distribution and directed its colorful line of $30 plastic watches to department and specialty stores.

Swatch supported the line with a hefty ad budget that hammered home the trendy fashion theme to consumers, who propelled the product into position as one top selling gift item during the '84 holiday season. Since being introduced in 1984, industry insiders say that more than two million Swatches were sold.

Although unit sales of Swatches represented only a small percentage of the estimated 60 million watches sold in the U.S. last year, the Swatch has had a major impact on the industry.

Given the Swatch's tremendous success, it's no surprise that manufacturers are gearing up their production lines to turn out plastic fashion watches. Such companies as Timex, Lorus, Armitron and Parker Watch, to name a few, are looking to capitalize on the growing market for inexpensive fashion watches.

Drug retailers are excited by the fact that this year they will have more ammunition to compete with the de-

Continued on page 17

Fitness craze pumps up chain drug vitamin sales

The national health and fitness craze sent sales of vitamins and nutritionals skyrocketing last year in chain drug stores.

According to the *Drug Store News* 1985 Annual Report of the Chain Drug Industry, sales of vitamins and nutritionals soared 14.4% to $369 million in 1984, accounting for 10.3% of all over-the-counter sales.

And sales will continue to increase in 1985 as chains upgrade product mix, expand private-label vitamin lines and heavily promote such products in store circulars.

Begley, for example, recently completed a chainwide program to refixture its vitamin department. In addition to adding new shelf strips that better identify products, the Richmond, Ky.-based company expanded the department to 15 ft.

Continued on page 18

MERCHANDISER

Buyers eying computer accessory potential

Continued from page 15

"We keep hearing that it's a great item, and I think it could be in the future, but right now our sales are miserable," says one buyer for a Midwest drug chain.

On the other hand, Kerr Drug Stores in Raleigh, N.C., experimented with accessories in one of its stores and was delighted with the results. "We sent all of the samples we had received to our store near the university, and the manager made it into a nice display, and it turned very quickly," says Steve Osborne, Kerr's stationery buyer. "We know the business is out there, we just have to figure exactly what the public wants and how to get its business."

Tom Burke, director of sales development for Kodak's consumer electronics division, says now is the time for buyers to act. "The market is in its infancy. It's a very good time for drug stores to enter it."

Currently, most of the major chains carry from one to four sku's of floppy disks. Most carry only the 5¼-in. single sided mini-disks that are compatible with the low-tech home computers like Atari, Commodore and Apple.

Only a few chains carry the new 3.5-in. micro-disk used by the new Apple McIntosh, and the 5¼-in. mini double-sided, used by the IBM and other small business computers.

Floppy disks are still considered service counter items by most drug stores and are sold next to the film and video tape. Most disks are manufactured by consumer electronic suppliers, namely 3M, Fuji, Kodak and Maxwell, who market the products via established drug store channels. The stores that carry other accessories usually do so in their stationery departments.

Space requirements for computer accessories, especially the disks, are quite minimal, and usually take up less space than film does.

Retailers retain margins

As is the case for most technological newcomers, the retail price of the floppy disk has decreased by about 10% during the past year, and in some markets is footballed in ads quite frequently by the discount merchandisers.

Margins in drug stores for all computer accessories are in the 35%-45% range. "During the price decreases, the manufacturers gave up margin so retailers could keep theirs," says Mark Welland, national sales manager for Maxell computer products.

Originally, floppy disks were able to be purchased one at a time by the consumer, but most manufacturers have discontinued that packaging, and now offer 2-, 5- and 10-packs with retail price points ranging from $3 to $48, depending on manufacturer.

All Perry Drug stores carry two sku's of floppy disks. "We carry them strictly as an accommodation for our customers," says a Perry buyer. "We haven't promoted them much, but we do plan to do so in the future. Most people don't know we carry them."

Cultivate your garden

"I see a shift in volume from computer stores to mass merchandisers," says Welland. "A trend is developing as a result of the natural growth cycle of a product. In the beginning, only specialty computer shops carried floppy disks and other computer supplies, and now as the industry is experiencing strong growth, there's a shift to sales in mass merchandisers."

Welland says that about 30% of all blank floppy disks are now being sold by mass merchandisers. "And by all indications, that will increase dramatically within the next couple of years, especially if the mass merchandisers promote," he added.

Maxell, which holds about a 22% share of the floppy disk market, has doubled its business every six months since 1980. Scotch-brand floppy disks, by 3M, also hold a 22% market share.

"It's a very competitive market, especially on the West Coast," says Kodak's Tom Burke. "The floppy market is very price-oriented and is very promotable."

The Perry spokesman says it is quite different in his market. "I haven't seen floppies advertised much by any retailer in our area, so there's really no need for me to promote price on the item. I wouldn't be able to buy enough customers to make it worthwhile."

By far, the greatest marketing potential at this time is with the personal home computer user.

Another important marketing area is the ever-growing small business computer owner, who uses a different floppy disk than the home computer user. "As the price of computers comes down, more small businesses will get them and the need for double-sided disks will increase," says Fuji's Solomon.

"The growing market as I see it," says the Midwest buyer, "is the small business computer user. I can easily see the boss sending his secretary down to the drug store for a 10-pack of floppy disks and a pack of cigarettes."

Several other buyers expressed that same prediction, based on the convenience of the drug store. "We've seen an increase in our stationery/office supply department because of that reason," says one buyer.

"Children are now being asked to buy their own disks for school use," says Maxell's Welland, pointing out that disks are also a back-to-school item. "Now, the kid's back to school list reads, 'pencils, crayons, scissors, ruler and a box of floppies.'"

Chains snare larger share of costume jewelry sales

As costume jewelry becomes more of an accepted fashion item among women, chain drug stores are upgrading their jewelry departments in an attempt to snare a bigger share of this highly profitable business.

Suppliers, which service nearly 80% of the chain drug jewelry departments in the U.S., have noticed a more aggressive philosophy on the part of chain drug retailers.

"The chain drug industry has just blossomed in terms of the sales increases and expansion of the departments," says Jack Flynn, president of Accessories Associates, which services several chains including Harco Drug in Northport, Ala., Douglas Drug in North Providence, R.I., and a number of Drug Emporium outlets on the East Coast.

Costume jewelry has long been considered an excellent impulse item, particularly among teenage girls. However, concern over pilferage led many chains to approach the category cautiously. Some chains limited their jewelry business to in and out promotions.

However, better-quality jewelry pieces that complement today's fashion trends have expanded the traditional customer base beyond the teenage set. And drug retailers have been hard pressed to ignore the expansion of the market and the improvement in the merchandise.

Several chains that two years ago had no formal jewelry programs have since gone chainwide.

Medicare-Glaser, the St. Louis-based chain, last fall launched a chainwide jewelry program through Marle Creations. According to Medicare-Glaser buyer Constance Curran, early results from the program have prompted the chain to increase some of its projections for some stores.

"The whole category has really come around," said Curran. "At one time, costume jewelry departments in drug stores were just that—costume. But the category has really been upgraded. I'm really pleased with what I see out there."

Low-priced fashion watches

Continued from page 15

partment and specialty store operators, many of whom are expecting another big year from the Swatches.

Some chains such as Medicare Glaser have already begun testing the fashion watches.

Ray Jeans, a buyer, said the St. Louis-based chain introduced a fashion watch from Parker Watch last year. "We brought some in for Christmas through Affiliated," Jeans said. "It didn't do quite as well as I expected, but it did start picking up for us during Valentine's Day. I think it's going to be a super item for us during this Christmas."

Most retailers are confident that the fashion watch fad will continue through Christmas. However, buyers are cautious about the trend continuing well into 1986.

"I think [the plastic watches] will be a good summer item that could carry into the fall," said Ron Goldman, a buyer at Affiliated Drug Stores. But Goldman is doubtful that demand will continue to be as strong beyond Christmas. "The market is just flooded right now," he added.

Some buyers believe that as the market gets more crowded with plastic fashion watches the big casualty is going to be Swatch. "I think [the knock-offs] will be around for a while," said Dick Donahue, buyer at Ribordy Drugs in Valparaiso, Ind. "I don't know if Swatch is going to hang around though."

Buyers believe multiple purchases will fuel the growth of the low-end fashion watch market. As prices come down, Swatch customers, who are primarily women, will be looking for additional colors and designs.

Howard Fisher, general manager of marketing at Lorus Products, which has just introduced a line of plastic watches, believes the market will remain strong so long as women continue to view the new watches as fashion items.

"Plastic watches are a fashion accessory that tell time vs. a timepiece that is a piece of jewelry," Fisher notes.

There also is a high degree of impulse buying with the plastic fashion watches. Sone chains, in fact, are considering merchandising the plastic fashion watches away from their conventional watch display and closer to the cosmetics department.

As more of the plastic fashion watches hit the market, price points are expected to close in on the $12 to $14 range for some of the better quality watches. Lorus' new line of plastic watches will retail for $19.95 at full mark-up. Timex's Fun Timers, a line of colorful watches with a nylon brand, is currently selling at $17.95 at full mark-up.

MERCHANDISER

Buf-Puf Brigade rolls into the Big Apple

NEW YORK — Roller skates, ear muffs, banners and bicycles have become sales tools for a group of New York street merchandisers.

When they appear before retailers, they get attention.

This unconventional group of salesmen, called the Buf-Puf Brigade, sell to thousands of H&BA and drug store outlets. Their product is the Buf-Puf facial sponge from 3M's Personal Care Products.

Why would a Fortune 500 company use this sales approach to sell a consumer product in a major sophisticated market such as the New York Metro Area? "Efficiency and prudent cost," says Debbie Richman, 3M's northeast area sales manager.

Richman points out that the population of the area exceeds 14 million and that there are more than 10,000 accounts that need to be called on.

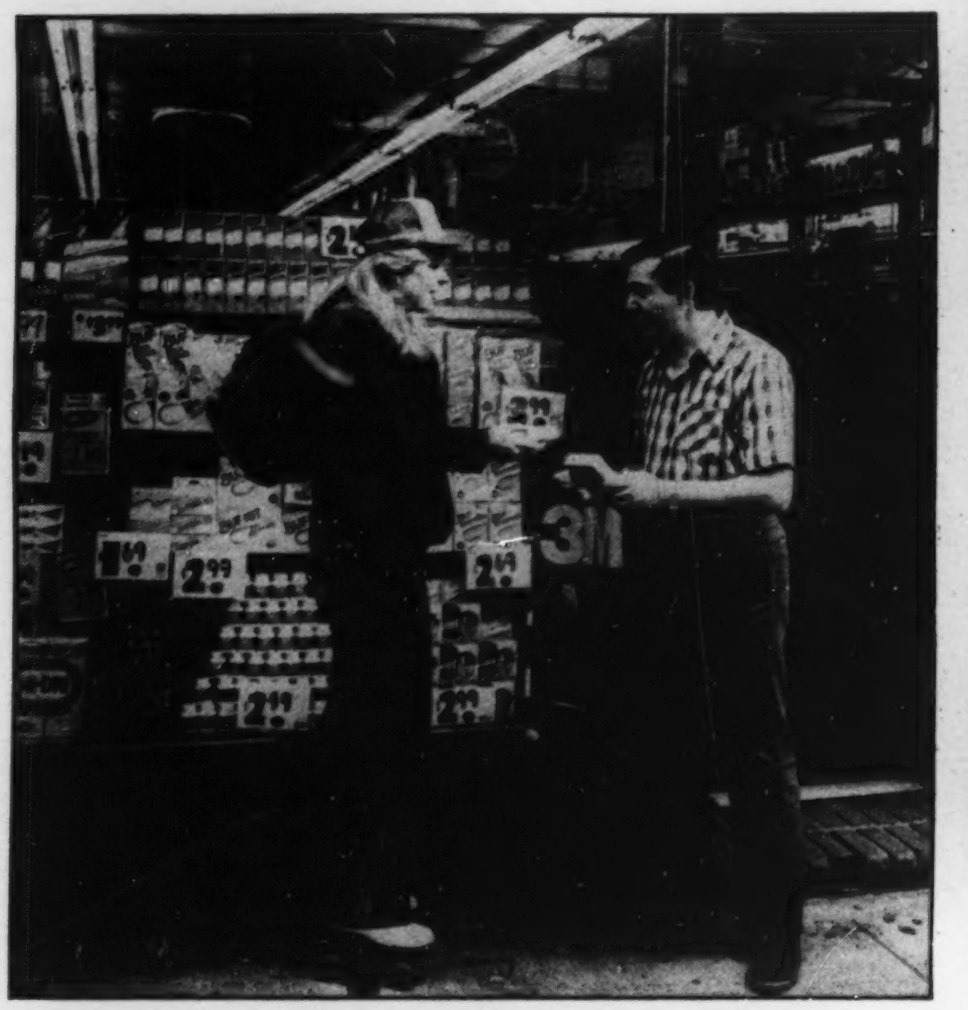
Reaching them required more arms and legs than Richman had at her disposal, having only several full-time account reps for the entire New York City area. Hiring more full timers was economically unfeasible.

Richman's solution was to hire a part-time sales brigade.

Wearing neon shirts with the red 3M logo, carrying backpacks and pulling specially equipped luggage carriers, the part timers are tackling this tough market on foot, bike, roller skates and by bus and subway.

"All my reps are native New Yorkers," says Richman. "We have to hire people who can take to the street, because New York is the street."

The initial results show that her plan is working. While many other companies' wholesale sales went down during the same period, Richman's tripled in volume. Nielsen figures show steady increases in distribution and at the same time product-out-of-stocks declined.



Even New York pedestrians, who see virtually everything taking place on the streets of their city, have taken notice of the Buf-Puf Brigade.

New Product Performance

New product	Manufacturer	Category	Size	Average retail price	Test markets	% category sales increases	% category market share	Roll out	Ad budget
Brush Plus Shaving System	Gillette Boston	Shaving needs		$6.29 to $6.49	Peoria, Ill.				
Alka-Mints	Miles Lab. Elkhart, Ind.	Antacids	30's 60's		Tucson, Ariz.	n.a. n.a.	15.3%* 7.5	10/84 9/84	$7.7 million $4 million
Lactalins	Health Vitamin Co. Yonkers, N.Y.	Vitamins	100's	$14.25	n.a.	n.a.	n.a.	6/85	$1.8 million
Coffee Butler	Thermos Norwich, Conn.	Thermoses		$27.50	Cincinnati Grand Rapids	500	70	Fall 1984	$4 million
Sergio Valente fashion jewelry	Accessories Associates, North Providence, R.I.	Jewelry		$7.50-$25	n.a.	n.a.	n.a	Spring 1985	$25,000
Seagram's Cooler	Seagram Wine Co.	Beverages	12 oz. 4-pack	$2.99 to $3.99	New York Phoenix Tucson, Ariz.	n.a.	n.a.	Spring 1985	n.a.
Poppy Musk Cologne (spray)	Carme Int'l Novato, Calif.	Fragrances	0.05 oz. 1 oz.	$5 $10	n.a.	n.a.	n.a.	Spring 1985	$500,000
Crajel Mouth-Aid	Commerce Drug Framingdale, N.Y.	Dental		$3.50	n.a.	n.a.	n.a.	Spring 1985	$1 million
ACT Fluoride rinse	Johnson & Johnson	Dental	12 oz. 18 oz.		n.a.	n.a.	n.a.	9/84	n.a.
Always Maxi pads	Procter & Gamble	Feminine hygiene			Minnesota	11	20	5/84	$24 million

n.a. = not available

Source: *Drug Store News* 1984 Fall/Winter New Products Survey

Are you looking for the hottest new products to bring into your stores? Then don't turn this page without scanning the New Product Performance chart listed here.

Drug Store News surveyed more than 500 manufacturers to find what they're currently introducing to the market. Some of the products in our survey were boosting category sales by as much as 250%. Others in just a few months of testing had built shares of 70% or more.

Included in this chart are suggested retail prices and current advertising budget allocations.

The New Product Performance chart will be a regular feature in upcoming issues of *Drug Store News*. Let it help you make buying decisions.

Rising script demand parallels OTC switch

WASHINGTON — Does the conversion of prescription-only drugs to over-the-counter status mean reduced demand for other Rx versions of those products?

Not necessarily, according to market statistics released by the Proprietary Association.

In the case of 0.5% hydrocortisone preparations, for example, F.D.A.'s decision to allow the non-Rx sale of these drugs created a new $70 million market for OTC versions, according to the proprietary drug manufacturers group.

But instead of cutting into the market for Rx hydrocortisone products, the shift to OTC status has been accompanied by a parallel increase in the number of prescriptions filled for these drugs annually, PA said.

In addition, consumers have the benefit of broader choices and greater convenience, the association maintained.

In a position paper on Rx-to-OTC switches, the Proprietary Association said the practice has already "won the endorsement of Government, industry, health professionals, consumer leaders and consumers themselves."

Nearly 40 drugs in 16 different categories have already been recommended for the shift from prescription-only status and "dozens of these new products are coming onto the OTC market, where they are available conveniently and economically," the association said.

Some other examples of products that have enjoyed the new status are the branded versions of the aspirin substitute ibuprofen. This drug is the first new OTC pain reliever in 30 years, and "the impact on self-medication from this one switch alone is expected to be substantial."

In spite of these benefits that have emerged from the F.D.A.'s review of the OTC drugs, the Proprietary Association is calling for new guidelines.

Currently the drugs recommended for the switch to OTC status must go through the F.D.A.'s "new drug" review system, which is "already overburdened with other, more demanding work."

The association offered an example of one drug that was submitted for review and reclassification to OTC status, and 35 months later, "it had still not been addressed in detail by the New Drug Advisory Committee."

Not only are drug companies which face competitive pressures finding this situation "distressing," but the PA says, "it may also be unfair to consumers who might benefit from a favorable decision, either in relief from pain or discomfort or from lower medical bills, or both."

PA called for support of a "switch petition" in the form of supplemental new drug application.

The proposal has been offered, but "is in limbo and has been for almost three years."

Such "procedural snags" must be removed for the "continued transfer of appropriate ingredients and dosage strengths from prescription to OTC," the association reasoned.

SAMI tracks OTC, H&BA sales

NEW YORK — SAMI (Selling Areas Marketing Inc.) is introducing a new dimension to its marketing services—tracking the movement of over the counter drugs and health & beauty aids through chain drug stores and independent drug outlets.

SAMI, a subsidiary of Time Inc., is well known in the grocery business. Founded in 1966, the company tracks the movement of 460 categories of grocery products from food operator warehouses to retail stores in 54 markets.

The company plans to track the movement of drug store merchandise in much the same way. It will use computer data collected every 28 days from drug chain and drug wholesaler warehouses in SAMI markets. The data will be sold to U.S. manufacturers whose products are sold in drug stores.

According to Barbara J. Lippard, vp director of corporate development, the first four markets to use SAMI are: Chicago, New York, Los Angeles and San Francisco. Initial data from these markets, which collectively ring up about 24% of U.S. drug store sales, is beginning to come in.

The company ultimately plans to operate in all 54 SAMI markets, covering about 88% of drug stores' product movement. It expects to reach that goal by December 1987.

Currently, about 100 categories, the majority of which are health & beauty aids, are being tracked. "It's a little bit of trial and error right now before we determine the exact categories we are going to cover," said Alan B. Miller Jr., SAMI's vp of sales and services.

According to Miller, the company wanted to track drug store sales years ago but couldn't, because drug stores were not as highly computerized as food stores and drug stores also had a higher degree of drop shipments. That situation has changed, said Miller, making it feasible to track products from warehouses to drug stores.

Miller noted that SAMI will eventually track merchandise movement into mass merchandisers, but the company is still formulating these plans. He said that ultimately SAMI will pool data from food outlets, drug store chains and mass merchandisers.

May's Drug opens unit in the heart of Tulsa

TULSA, Okla. — May's Drug opened a new 6,700-sq.-ft. store called May's Main Place Drug in the heart of this city's burgeoning downtown business district.

Designed for walk-in convenience and rapid service, the store, formerly Mall Drug, is located in a pedestrian-only shopping complex in downtown Tulsa.

"Our directors are committed to a program of rapid expansion in the Tulsa Metro Area," said Gerald Heller, May's president. "We expect May's to be the dominant drug chain serving Tulsa, within the next five years," he asserted.

According to Heller, May's Main Place Drug is the only drug store serving downtown Tulsa. Another store is scheduled to open soon in the metro area, he added, noting that the company will open other stores as suitable locations become available.

May's Main Place Drug is tailored to the needs of daytime office workers and will heavily stock health & beauty aids and stationery. Sundries like barbecue grills, ubiquitous in other May's stores, will not be carried in the downtown store, said Heller. "We have problems getting big, bulky merchandise into downtown Tulsa," he noted.

In the Tulsa area, the company now operates seven drug stores plus the area's only deep-discount drug store, The Drug Warehouse. In Missouri, where the company's 20,-000-sq.-ft. distribution facility is located, May's operates six drug stores.

May's biggest competitor is Eckerd, which operates about six stores in Tulsa and three in outlying Broken Arrow, Okla. According to an Eckerd spokesman, the chain hasn't opened any new stores during the past year in the Tulsa area.

Correction

Because of a typographical error, Genovese Drug Stores' sales for 1984 were misstated in the company's profile story in the Annual Report of the Chain Drug Industry, April 28. The correct figure is $220 million.

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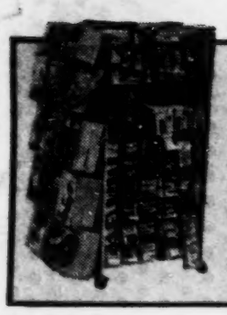

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Cosmetically Speaking:
Hot new trend is color analysis—p. 45

DRUG STORE NEWS

Vol. 7/No. 13 **Serving chains, wholesalers and high-volume independents for 56 years.** Published by Lebhar-Friedman Inc. June 10, 1985

Inside the Kroger Sav-On at Blue Ash, Ohio.

Kroger's new combo prototype will spearhead major expansion

CINCINNATI — Kroger Food Stores, the country's second-largest supermarket retailer, is planning a major expansion of its combination food/drug stores.

Wayne Harris, Kroger's vp of grocery and nonfood merchandising, told stockholders at the company's annual meeting here last month that pharmacy and general merchandise sales in Kroger's existing combination stores had risen 20.1% during the first quarter of 1985 compared to a flat 3.6% for U.S. food store sales overall during the quarter.

Harris said that Kroger plans to have over 500 combo stores in operation by 1987, many modeled after a new prototype that Kroger will debut this fall.

Of the 48 new Kroger food stores that will open throughout 1985, most will be combo stores, said company officials.

Harris told *Drug Store News* that about 35% of each new combo store which will

Continued on page 53

Edwards brings discount ability to Revco post

TWINSBURG, Ohio — Bill Edwards, the 44-year-old former F & M executive who was just hired as Revco's new president, will spend his first weeks on the job working with chairman Sid Dworkin and Revco's senior management team to help stem the sales and earnings declines in Revco's 1,800 drug store division.

He'll also oversee changes in the troubled Odd Lot close out division plus use his expertise in deep discounting to help determine the ultimate fate of Revco's experimental 3-unit Get It For Less Deep drug store division.

Edwards, who will succeed Dworkin as president on June 17th, comes to Revco at a time when the chain faces a broad assortment of problems.

In addition to increased competition from a growing number of deep-discount drug stores, mass merchandise and food stores with expanding pharmacy and H&BA departments, Revco is also weathering several serious internal problems.

Bill Edwards
New Revco president

Net earnings for the first nine months of the year were down 33% to $42 million on a sales increase of just 9%. Comparable store sales in some competitive markets have been flat or up only 3% to 4%.

Continued on page 54

Eckerd earnings slump surprises some analysts

CLEARWATER, Fla. — Eckerd Drug, which is anticipating a 50% earnings decline for the third quarter ended April 27th, was apparently a victim of "poor internal communications" and intense promotional activity brought on by inflated inventories as well as by increased competition in key core markets like Florida and Houston.

Security analysts who follow the company say they were very surprised by the extent of the decline, but that they had anticipated something of an earnings slowdown because sales were sluggish in the early and middle months of the quarter.

"The amount of the decline was a surprise to me," said one analyst who covers Eckerd, "but we could see from the sales that it was not going to be a good quarter."

Continued on page 54

Rival chains adopt scratch games

TV ads support Dart promotion

LANDOVER, Md. — Starting this August, Dart Drug will launch its first major television campaign based on a $60,000 scratch giveaway game.

The game is a relatively new promotional strategy for the drug store industry, but in various manifestations, it has been used for years by supermarket chains and fast-food restaurant companies trying to build traffic in highly competitive markets.

Dart is the second major drug chain to begin developing television supported scratch off games. Gray Drug Fair was the first to launch a scratch-off promotion early in April and Peoples will launch a similar promotion later this fall. (See related stories page 2.)

Sources at all three companies say it is just a coincidence that the game is emerging through three companies heavily involved in the competitive Washington, D.C. market.

"We're not really reacting to one another," said one source, "it's just that the time is right for this type of promotion and Washington/Baltimore is a good market for this type of promotion."

Dart, for instance, is concentrating its television advertising, on just five stations in the Washington area and its print advertising in the *Washington Post*.

The game, which will begin in August, is basically designed to enhance Dart's visibility as a "discount drug store" while simultaneously giving shoppers an additional incentive to visit a Dart store.

For 11 weeks, the campaign will get the Dart name mentioned on television for a total

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* * *

$100K is grand prize in Peoples' scratch game

ALEXANDRIA, Va. — People s Drug, which has specialized in aggressive price/product promotions for the past four years, is about to add a new element to its promotional strategy: scratch-card games designed to build traffic by increasing the frequencies of shopper visits.

The Peoples scratch-card game is similiar in some respects to a promotion now under way at Gray and one being developed by Dart Drug for a midsummer launch.

All three promotions are designed to build traffic by offering customers the chance to win major prizes ranging from a Buick Century (Dart) to a trip to Europe (Gray) to a $100,000 grand prize (People s).

People's promotion will be-

Continued on page 54

TE NEWS....LATE NEWS....LATE NEL

TRADING OF JACK ECKERD CORP. stock, which is listed on the New York Stock Exchange, was extremely heavy at the close of last month, fanning off rumors of a possible takeover. The company said that it had no information about the high level of trading activity.

MERRY-GO-ROUND-LASSER will close its Mor's Drug Discount store in Ft. Myers in July. Harlan Steinbaum, president and ceo, said the store, opened in 1984, did not meet expectations.

Ohio retailers reap benefits

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NEWS IN BRIEF

Eckerd opens third Visionworks

TAMPA — Eckerd Corp. has opened its third "super" eyewear/eyecare store. The company's latest, Visionworks, opened late last month in a shopping center in Tampa.

Eckerd's first Visionworks opened last year in Clearwater, Fla., and Charlotte, N.C., respectively.

The new store is located in Visionworks Plaza in Tampa, opposite the University Square Mall. Like its predecessors, the unit stocks over 10,000 fashion eyeglass frames plus sunglasses, sports glasses, contact lenses, etc. The staff includes licensed opticians and optical technicians plus independent doctors of optometry and ophthalmology. Eckerd also operates 153 optical centers in five Southeastern states.

Perry to offer $1.5M common stock

PONTIAC, Mich. — Perry Drug Stores has filed a registration statement with the Securities and Exchange Commission relating to the proposed offering of 1.5 million shares of common stock.

Perry sources said that upon completion of this offering, it intends to effect a 5-for-4 stock split in the form of a 25% stock distribution.

Proceeds of the offering will be used to repay a portion of short term bank indebtedness incurred in connection with several recent acquisitions by Perry.

The offering will be co-managed by Prudential-Bache Securities, E. F. Hutton & Company, and Prescott, Ball & Turben.

Buyers flock to Affil./Assoc. show

NEW YORK — Buyers and executives from 75 drug chains converged on the Omni Park Central Hotel here from May 20-23 to attend the spring buying show jointly sponsored by Affiliated Drug Stores and Associated Chain Drug Stores.

Members of both organizations had an opportunity to visit 113 exhibiting vendors showing about 500 various lines for the back-to-school and Christmas buying seasons.

The combined fall show is scheduled for Oct. 7-9, also at the Omni Park Central Hotel in New York City.

Acme launches 3 combos

PHILADELPHIA — Acme Markets plans to convert three existing supermarkets here into the company's first combination food and drug stores.

The conversions will be modeled after the Skaggs-Alpha Beta combo stores operated by Acme's parent, American Food Stores headquartered in Salt Lake City.

The first combo will open this fall in Kennet Square, Philadelphia. The existing 33,000 sq. ft. store will be expanded to 48,000 sq. ft. with 35,800 space allocated for selling.

In addition to pharmacy and extensive lines of H&BA and OTC products, the unit will also feature Acme's first photo processing department plus a large assortment of general merchandise such as TVs, video recorders, small appliances, electronics, jewelry, film and watches.

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Will chain scratch card games yield sweet smell of success?

News analysis

NEW YORK — Are traffic-building, scratch give-away games the industry's newest and possibly best answer to soft sales and declining margins?

With the first scratchoff game (Gray's) just a few weeks into action and with the next two, Dart and People's, slated to launch in the late summer and fall, it is too soon to give definitive answers, but an informal survey of chain executives and agency representatives say it may be the start of a new trend that holds "considerable promise."

"Everyone feels more threatened today," says Gary Wilber, vice president of operations for Drug Emporium. "What you see emerging now is a determination to get more traffic without reducing the gross margin.

"I think you're going to see a lot more promotions like this. You're probably also going to see more promotions modeled after what the airlines are doing, frequency promotions, like, "buy 10 bottles of shampoo from us and get the 11th one free." "If a promotion like this can get a shopper to visit a store three times a week instead of two, you've got a potential winner."

Sources at Gray Drug Fair, which launched its first scratch off promotion in late April, said they were attracted by two things: the opportunity to build store traffic and consequently market share and the opportunity to do so without reducing gross margins.

"Maintaining gross margins while at the same time increasing store sales is probably the biggest challenge we face in today's market," said one source.

Joe Pollard, vice president of advertising for People's, which will launch its first scratch off later this year in the fall, agrees.

"We looked at what the supermarket and the fast-food industry has done with these types of promotions," he said. "We called a lot of people and they were all telling us that this type of promotion is very good, particularly the first time you do it. We're hearing that they can build store traf-

Continued on page 54

At Gray, jury still out on scratch card game

CLEVELAND — Gray Drug Fair, which has been using a sweepstakes-scratch-off game since late April to build sales and store traffic, isn't sure how well the promotion is working.

Store managers and other sources say the initial results are promising, but it is still "too soon to tell" if the game will succeed. One source said average store sales were up about 8% to 9% which he called "very encouraging."

Sweepstakes are not new to Gray, the company has tried them before to build traffic, but this is the first time the company has launched a promotion built around a scratch-off game.

Customers who play the Gray "Lucky Labels game" can win prizes ranging from credit card size calculators to a round trip for two to the European city of their choice.

Gray is giving away a total of $100,000 in prizes including four grand prizes (the European trips), 10 first prizes, a 19-in. G.E. color television with remote and video recorder; 25-in. G.E. black and white TVs with AM/FM radio; 100 Black & Decker Dust Busters, and 15,000 Aurora calculators.

The promotion is chainwide and will last until the end of June.

Although the company says that the co-op monies raised through the promotion don't "really" filter down to the bottom line, neither does the promotion impact negatively on existing profit margins.

McKesson's latest buy: S-P Drug

McKesson Drug, the nation's largest volume drug wholesaler, has signed a definitive merger agreement to acquire Brooklyn-based S-P Drug. In 1984, S-P had sales of $164 million making it the country's 17th highest volume wholesaler.

The acquisition, which has been approved by the board of directors of both companies, will be McKesson's third major takeover in the last six months. Earlier McKesson had acquired the $450 million Spectro Industries and the $120 million Johnson Drug.

The current transaction is valued at $80 million based on the current number of outstanding shares for S-P. McKesson is paying $18 a share for S-P. Over the past four years, S-P Drug reported a compounded growth rate of 22% in sales and 45% in net income. Net income for the fiscal year ended April 30 equaled approximately $1 a share or about $4.4 million.

The acquisition returns McKesson to a market it hasn't competed in for over 15 years.

S-P is the leading wholesaler in the market, servicing accounts in the entire tristate New York Metropolitan Area. They primarily distribute pharmaceuticals and health & beauty aids to independents, chains and hospitals.

Neil Harlan, chairman and chief executive officer of McKesson and Robert A. Smith, president and chief executive officer of S-P drugs, both said they felt the merger would enable the company to "offer customers an even broader range of health and beauty products and services."

Harlan added that the acquisition also reflects McKesson's "increasing commitment to Value-added distribution and related services."

Kole, Gross join DrSN board

NEW YORK — Mickey Kole, president of the drug store division of Perry Drugs, and Don Gross, vp marketing and distribution at Genovese Drug Stores, have joined the *Drug Stores News* board of advisers.

Kole, a 28-year veteran of Perry Drug, has held a number of positions at the Detroit-based Perry Drugs after joining the company as a part-time clerk.

Recently named president of the drug division at Perry, Kole in the past has been involved in developing employee training programs as well as developing a business plan for Perry's entry into deep-discount retailing. Kole, a pharmacist, also has extensive experience in store operations.

Don Gross joined Genovese Drug Stores, headquartered in Melville, N.Y., in 1977 as director of marketing. Since that time Gross has taken on a number of responsibilities, including overseeing the warehouse and distribution systems and coordinating merchandising programs with operations. He also is actively involved in trade relations.

Gross recently added on the additional title of corporate secretary.

Mickey Kole

Donald Gross

FINANCIAL

Kroger Co. net earnings soar to $31 million

CINCINNATI — Kroger Co. reported that net profits were up sharply for the first quarter of the fiscal year, which ended March 23.

Results were released for Kroger Food Stores, Dillon Food Stores and SupeRx Drug Stores together. Financial results did not include Hook Drugs, which Kroger acquired in a $161 million cash/stock deal last February, because the merger was not approved during the first quarter.

According to Kroger, net earnings were up 67.4% to $31 million from $19 million. Total sales increased 5.2% to $3.8 billion from $3.6 billion, and per share earnings were up 66.7% to 70¢ from 42¢.

According to Larry Turner, Kroger's treasurer, the profit upsurge in the first quarter over the same period last year was due to a concerted attempt by the company to streamline costs during the past 10 months.

"We had a particularly crummy first quarter last year," said Turner. He cited labor disputes, store closings, and a complete withdrawal from the Pittsburgh market as draining company profits.

At Kroger's annual shareholder's meeting last month, Lyle Everingham, chairman and ceo of Kroger, said that same-store sales in both Kroger and Dillon food stores were up 5.4% during the fiscal year's first quarter, while SupeRx's first quarter sales rose 9.5%.

Everingham said that "over the past 18 months, we've moved aggressively as a corporation to trim expenses wherever they could be trimmed."

Walgreen cites Rx for performance

DEERFIELD, Ill. — April sales at the 1,158 Walgreens drug stores hit a record $260.5 million, an increase of 15.9% for the same month last year.

Calendar year-to-date sales are also up from 1984. The company reported sales for the first eight months of its fiscal 1985 at $1.01 billion, up 15.3% over 1984.

Charles R. Walgreen III, chairman, said the monthly gain was aided "by our continuing excellent pharmacy performance."

The company is also well on its way to its goal of opening 100 stores during fiscal 1985. "We continue to do well in meeting our expansion goals," said Walgreen. "We've opened a record 76 drug stores during the first eight months."

Name	Symbol	STOCK PRICE From 05/03/85 - 05/20/85 High	Low	Close	Change Amt	Change Pct	52-Week High	52-Week Low	TREND TO MARKET Price Trend (% per day) Last 30 Days	Price Trend (% per day) Last 5 Days	Volume Trend (% per day) Last 30 Days	Volume Trend (% per day) Last 5 Days	EARNINGS/SHARE Last Fiscal Year	Latest 12 Months vs Preceding 12 Months Change Amt		5-Year Annual Growth Rate	Profit Margin	P/E Latest P/E Ratio	DIVIDENDS Indicated Dvd. rate Amt.	Yield	Last X-Dvd. Date	FINANCIAL POSITION Last Fiscal Year Revenue	Earnings	Current Ratio	Last Fiscal Year (Per Share) Long Term Debt	Common Stock Equity
-	-	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	-	$	%	-	$ MM	$ MM	-	$	$
Chain Store transactions																										
Am Stores	ASC	57.75	48.63	57.63	7.88	15.83	57.75	26.50	-.14	1.31	-1.42	-2.32	5.71	2.10 F	58.2	117.0	1.5	10.1	.64	1.1	03-26-85	12118.8	185.5	1.2	37.93	21.40
Bagley Co	BGLY	17.25	16.25	17.00	.75	4.62	17.25	14.50	.24	-.86	5.35	-9.09	1.33	-.30 N	-20.4	-8.0	1.1	14.5	.72	4.2	04-15-85	61.5	.7	1.9	15.55	18.26
Big B	BIGB	18.38	15.50	18.38	2.25	13.95	18.38	8.88	.19	2.88	.60	23.14	.68	.15 F	28.3	22.0	3.0	27.0	.00	.0	09-21-83	148.1	4.4	2.3	1.20	4.58
Drug Sys	DRGS	5.38	5.00	5.00	-.50	-9.09	5.63	3.25	-.26	-.78	-3.88	62.50	.56	-.25 N	-38.5	NC	2.1	12.5	.60	12.0	05-09-85	82.3	1.7	3.0	1.28	5.84
Eckerd, Jack	ECK	27.25	20.00	22.88	-3.50	-13.27	32.88	20.00	-.80	-1.50	6.20	-31.49	2.27	.26 S	12.1	5.0	3.3	9.5	1.04	4.5	03-11-85	2622.5	85.4	2.0	2.52	16.47
Fay's Drug	FAY	9.88	9.00	9.25	-.63	-6.33	13.00	8.38	-.30	-2.19	-.13	25.29	.62	.02 F	3.3	72.0	2.4	14.9	.20	2.2	03-18-85	366.7	8.7	1.8	1.65	4.28
Genovese Drug	GDX	13.00	12.00	12.75	.13	.99	16.63	11.13	-.47	.79	1.52	-60.68	1.03	.07 F	7.3	89.0	1.9	12.4	.20	1.6	03-29-85	220.3	4.1	1.9	2.83	4.92
Hook Drugs	HOOK	37.25	36.25	37.25	1.00	2.76	37.25	18.00	-.03	-.20	-2.48	51.60	1.87	-.14 F	-7.0	6.0	2.3	19.9	1.00	2.7	04-09-85	350.9	8.1	1.7	2.75	10.38
Longs Drg Strs	LDG	29.38	26.63	29.25	1.50	5.41	29.75	17.00	-.08	.89	-5.85	8.32	1.88	.16 F	9.3	11.0	2.9	15.6	.64	2.2	03-27-85	1375.8	40.1	2.1	.00	12.23
Medicare Glaser	MGCO	5.25	4.00	4.75	.00	.00	7.00	3.50	-.12	-2.04	10.11	-7.83	.43	-.19 N	-43.2	102.0	1.4	19.0	.00	.0	00-00-00	76.7	1.1	1.6	1.12	3.49
Pay N Save	PAYN	23.25	23.25	23.25	.00	.00	23.63	14.75	-.06	-.73	-7.62	-8.33	2.02	-.81 N	-41.3	-2.0	2.5	20.2	.00	.0	08-20-84	1220.5	30.1	2.0	9.01	14.37
Perry Drug	PDS	20.38	17.63	20.00	1.88	10.34	22.13	12.75	.11	-.28	3.22	3.16	1.26	.14 Q	13.0	18.0	2.1	16.4	.28	1.4	02-21-85	370.3	7.6	1.5	2.40	10.60
Revco Drug	RDS	24.38	23.63	24.13	.25	1.05	32.88	22.50	-.08	-.39	-2.23	-16.76	2.54	-.45 N	-18.6	17.0	4.2	12.2	.80	3.3	02-26-85	2227.5	93.4	2.1	1.08	12.22
Rite Aid Corp	RAD	30.00	27.00	29.38	1.63	5.86	33.50	18.25	-.24	.10	-2.31	19.86	1.69	.22 F	15.0	11.0	5.4	17.4	.50	1.7	04-09-85	1297.1	69.9	2.3	.49	7.68
Thrifty Cp	TFD	20.50	19.00	20.38	1.13	5.84	22.88	14.00	-.14	-.24	-.05	14.85	1.40	.24 S	18.8	21.0	2.1	13.4	.60	2.9	05-06-85	1299.3	27.9	1.5	4.46	7.72
Walgreen Co	WAG	27.25	24.50	27.25	2.31	9.27	27.31	14.31	-.05	.02	-.18	-6.94	1.39	.20 S	15.5	31.0	3.1	18.3	.44	1.6	05-14-85	2744.6	85.4	1.7	.87	6.76
Wholesaler's transactions																										
Bergen Brunswig	BBCA	28.13	25.63	27.88	1.38	5.19	28.50	19.00	.31	-.82	-4.63	-34.19	1.57	.05 S	2.9	24.0	1.2	15.7	.32	1.1	04-25-85	1703.4	19.7	1.6	1.08	11.11
Cardinal Distrib	CDIC	18.25	17.00	17.00	-.50	-2.86	18.50	10.91	-.14	-1.97	-4.53	-46.91	.92	.11 N	12.5	NC	1.1	17.2	.06	.4	03-26-85	243.3	2.6	1.8	.92	5.91
Darr Fillauer	DUFM	16.88	15.50	16.88	1.13	7.14	16.88	10.25	.62	-.54	1.74	-11.90	.92	.18 Q	22.5	21.0	1.7	17.2	.18	1.1	05-20-85	341.7	5.8	2.3	1.52	7.56
McKesson Cp	MCK	44.50	42.00	44.25	1.00	2.31	45.25	32.38	-.14	.01	3.19	-16.71	3.78	-.42 N	-10.7	-1.0	1.6	12.6	2.40	5.4	02-25-85	4260.0	68.7	1.4	10.45	30.25
Ketchum	KCH	17.50	15.00	16.00	1.25	8.47	17.50	10.09	.27	-1.34	2.32	1.82	.77	-.46 N	-49.5	100.0	.3	34.0	.00	.0	09-24-84	245.1	.8	1.5	6.37	6.74
Owens & Minor	OBOD	20.75	18.75	20.00	1.00	5.26	20.75	11.25	.64	-1.85	1.32	-40.11	1.43	.17 Q	12.3	49.0	1.2	12.9	.40	2.0	03-11-85	306.7	3.6	3.0	8.02	12.81
Spectro Indus	SPO	20.13	19.88	20.00	.13	.63	20.38	9.38	.04	-.59	-11.82	-92.11	.89	.36 N	46.2	53.0	1.8	17.5	.09	.5	03-29-85	395.4	7.2	1.7	1.23	4.44
Manufacturer's transactions																										
Abbott Labs	ABT	54.38	51.25	54.13	2.88	5.61	54.38	36.75	.04	.14	-1.42	-14.32	3.34	.49 Q	16.5	26.0	13.0	15.6	1.40	2.6	04-09-85	3104.0	402.6	1.9	3.91	13.33
Am Home Prod	AHP	63.75	58.13	62.63	3.50	5.92	63.75	46.75	-.02	-.32	-.43	-12.85	4.39	.35 Q	8.5	15.0	15.1	14.0	2.90	4.6	05-07-85	4485.5	675.6	3.4	.26	13.74
Baxter Travenol	BAX	15.50	14.50	15.13	.25	1.68	18.13	11.75	-.33	-.90	-1.04	.77	1.03	-.39 Q	-26.9	6.0	8.1	14.3	.37	2.4	03-13-85	1800.4	145.1	1.6	1.46	7.83
Block Drugs Co	BLOCA	31.50	30.50	31.50	1.00	3.28	31.50	24.28	.02	-.31	-1.42	-31.54	3.18	.26 N	8.4	14.0	10.0	9.4	1.00	3.2	02-25-85	238.2	23.9	2.3	2.34	20.08
Boiar Pharm	BLR	45.25	39.75	41.00	-.75	-1.80	45.25	22.50	.29	-2.89	5.29	27.04	1.22	.07 F	6.1	47.0	18.2	33.6	.05	.1	02-08-85	29.1	5.3	7.5	.00	7.41
Bristol-Myers	BMY	61.38	57.75	61.13	3.38	5.84	61.38	43.13	.14	.09	2.22	-17.01	3.45	.42 Q	13.4	20.0	11.3	17.2	1.88	3.1	03-29-85	4189.4	472.4	2.5	.75	15.63
Carter-Wallace	CAR	35.88	32.13	35.75	3.25	10.00	35.88	19.38	.25	.39	1.62	-24.39	2.66	.29 F	12.2	34.0	5.9	13.4	.52	1.5	04-12-85	348.8	20.7	2.4	1.69	21.87
Cooper Labs	COO	15.63	14.38	14.50	-.63	-4.13	27.00	12.50	-.15	-1.20	-1.73	-16.59	-.12	-.90 Q	-100.0	NC	-1.3	NE	.00	.0	03-12-84	155.9	-2.0	1.6	.61	11.81
Forest Labs	FRX	27.00	18.75	26.88	7.50	38.71	27.00	11.25	.90	3.64	7.83	9.31	.73	.19 F	35.2	21.0	16.3	36.8	.00	.0	01-14-83	25.8	4.2	8.3	.28	5.42
ICN Pharm	ICN	10.38	9.50	9.88	.25	2.60	11.63	6.38	-.44	-1.55	-1.80	9.19	.00	-.22 F	-100.0	40.0	1.6	NC	.00	.0	00-00-00	44.8	.7	3.0	2.43	4.50
Key Pharm	KPH	10.38	8.88	10.25	1.13	12.33	17.13	8.00	-.14	1.60	2.13	8.65	.61	.06 Q	10.9	63.0	14.6	16.8	.20	2.0	03-11-85	151.1	22.1	2.1	1.16	1.67
Lilly Eli Co	LLY	82.25	77.13	82.00	4.63	5.98	82.25	53.00	-.02	.35	-2.06	3.47	6.73	.60 F	9.8	12.0	15.8	12.2	3.20	3.9	05-09-85	3109.2	490.2	1.7	1.63	31.04
Lee Pharm	LPH	6.38	5.75	6.38	.00	.00	9.63	2.13	-.15	1.12	-.66	-14.95	.13	.58 S	NE	16.0	6.2	26.6	.00	.0	00-00-00	8.1	.5	3.0	.20	1.73
Marion Labs	MKC	38.50	32.50	36.25	3.50	10.69	38.50	15.75	.92	-.92	.10	-.23	.62	.29 N	51.8	60.0	10.6	42.6	.28	.8	06-14-85	226.4	24.1	2.4	.02	3.52
Merck & Co	MRK	106.38	98.25	106.25	6.13	6.12	106.38	78.25	-.10	-.11	1.67	3.54	6.71	.60 Q	9.6	7.0	13.8	15.5	3.20	3.0	02-28-85	3559.7	493.0	2.0	2.48	35.29
Morton Thiokol	MTI	35.50	30.38	34.63	4.00	13.06	35.50	23.81	.21	.60	-1.66	-19.99	2.16	1.89 N	93.1	45.0	5.5	8.8	.64	1.8	05-24-85	2001.5	109.8	1.5	2.94	12.50
Mylan Labs	MYLN	24.13	21.00	24.13	3.00	14.20	24.13	6.56	.13	-.18	.74	.05	.52	.32 F	160.0	108.0	23.3	46.4	.05	.2	02-19-85	53.6	12.5	5.4	.10	.76
Newport Pharm	NWPH	12.00	8.00	9.63	1.63	20.31	12.00	2.75	1.32	-3.90	4.97	-5.74	-.21	.17 N	NE	-10.0	-26.0	NM	.80	8.3	05-23-85	7.7	-2.0	2.6	.22	.93
Pfizer Inc	PFE	49.88	44.50	49.63	4.75	10.59	49.88	29.38	.33	.50	.83	6.07	3.08	.38 Q	13.5	22.0	13.2	15.5	1.48	3.0	05-20-85	3854.5	507.9	2.3	2.10	15.45
Reid Prov Labs	REID	5.13	4.00	5.13	.63	13.89	5.25	2.75	-.07	2.90	5.01	22.37	.12	-.06 N	-40.0	87.0	6.7	42.7	.04	.8	12-10-84	13.4	.9	3.1	.02	.92
Robins, AH	RAH	20.38	17.50	20.13	1.63	8.78	24.38	12.00	-.31	1.50	-2.29	19.41	-18.44	-20.58 Q	-100.0	-96.0	-73.0	NE	.00	.0	11-19-84	631.9	-461.6	1.7	.47	-5.23
Rorer Group	ROR	31.50	28.63	30.50	1.25	4.27	34.13	24.00	-.41	-.63	-6.11	24.01	2.08	.00 Q	.0	6.0	8.5	14.7	1.12	3.7	05-06-85	522.1	44.3	1.9	2.18	11.07
Schering Plough	SGC	12.38	10.25	11.50	1.13	10.84	12.38	8.63	.24	-2.80	1.16	9.51	.52	-.66 N	-100.0	-11.0	2.3	NE	.32	2.8	03-13-85	171.7	4.0	1.9	4.83	11.14
Searle, GD	SRL	54.63	49.75	54.63	5.13	10.35	65.50	39.00	-.11	.66	-1.58	13.57	3.24	.22 Q	6.9	18.0	13.0	15.9	1.00	1.8	05-07-85	1245.8	161.6	2.4	3.62	14.85
Squibb Corp	SQB	64.38	57.38	64.38	6.88	11.96	64.38	37.50	.32	.33	1.92	-30.97	3.68	.41 Q	12.2	22.0	10.5	17.1	1.76	2.7	05-13-85	1886.0	197.2	2.3	3.74	24.87
Sterling Drug	STY	32.25	30.00	31.38	-.75	-2.33	33.50	23.75	-.02	.12	2.57	1.80	2.37	.14 Q	6.2	5.0	7.8	13.0	1.20	3.8	04-30-85	1827.3	143.4	2.6	1.32	15.34
Syntex Corp	SYN	64.38	57.50	64.25	7.13	12.47	64.38	38.75	.25	.69	6.61	17.21	4.08	-.42 S	-9.5	20.0	14.7	16.0	1.92	3.0	05-13-85	916.5	134.6	2.1	5.36	18.81
Thompson Med	TM	14.50	13.38	14.00	.00	.00	26.50	13.25	-.25	-.68	-1.36	-15.44	2.20	-.09 Q	-4.5	42.0	10.8	7.4	.40	2.9	03-25-85	197.2	21.2	4.3	.00	7.09
Upjohn Co	UPJ	99.63	88.75	98.13	8.38	9.33	99.63	45.00	.69	-.23	3.12	-4.86	5.67	-.69 Q	-11.7	.0	8.0	18.8	2.56	2.6	04-01-85	2179.1	173.3	1.7	12.47	37.00
Warner-Lambert	WLA	40.50	36.63	40.25	2.25	5.92	40.50	28.75	-.04	.00	3.04	22.32	2.81	.28 Q	10.7	7.0	7.1	13.9	1.48	3.7	05-06-85	3168.7	223.9	1.7	6.47	18.18
Zenith Labs	ZEN	45.25	37.00	44.75	7.25	19.33	45.25	8.00	2.06	-.94	6.25	-1.48	.56	.52 Q	120.9	117.0	7.7	47.1	.00	.0	03-13-85	37.5	2.9	2.6	.55	3.97

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Footnotes: NA - Not Applicable; NC - Not Calculable; NE - Negative Earnings; NM - No Meaningful Figure; Q - First Quarter; S - First 6 Months; N - First 9 Months; F - Fiscal Year

Data and Table Prepared by Media General Financial Services, Inc., Richmond, Virginia 23219

Checkstand merchandising study

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